



BROWN

OFFICE OF FINANCIAL
STRATEGY AND PLANNING
Finance Division

Memo

To: Directors and Department Heads
Budget and Finance Managers

From: Rob Eaton, Director, Budget, Planning & Analysis, Central Budget Office

CC: Michael P. White, Vice President for Finance, Chief Financial Officer
Tim Fater, Assistant Vice President for Financial Strategy and Planning

Date: October 3, 2023

Subject: Adaptive Planning: FY23 Fall Forecast Period 10/3/22 through 11/4/22

Workday Adaptive Planning is now open to develop your Fiscal Year (FY) 2023 forecast. **The fall forecast period will be open through Friday, November 4th**. Your forecast is a critical part of the university's financial planning and analysis function:

- Your FY 2023 forecast information will seed the FY 2024 budget values in Workday Adaptive Planning when the system opens on 12/14/22 to build your FY 2024 budget request(s). Having key information, such as updated personnel, can help save you time and limit the amount of work you may have to do to build your FY 2024 budget(s).
- The FY 2023 forecast is an important tool that Office of Financial Strategy and Planning (OFSP) uses to inform the university-wide consolidated forecast presented to senior leadership and the Brown Corporation. It is important that we continue to closely monitor year-to-date financial results and project future fiscal conditions to guide decision-making and limit surprises to your approved FY 2023 budget(s).

The FY 2023 budget will continue to serve as a reference point going forward and no changes or amendments will be made. Any proposed adjustments and known changes to your approved FY 2023 budget should be captured through the FY 2023 forecast process. Any material forecast changes should be communicated to your OFSP budget liaison or financial analyst. Ultimately, we will refer to three primary financial markers: the budget, forecast, and year-to-date actuals. Comparing expected and unexpected variances between these markers will support our financial planning and reporting.

OFSP will load department's forecasts into Workday by mid-November and departments will be notified shortly thereafter.

Please reference the OFSP [website](#) for more information on the FY 2023 forecast and FY 2024 budget development process and deadlines.

Workday Adaptive Planning System Enhancements & Training

- Importing functionality will be implemented for large departments this year as a result of feedback from our FY 2023 Post-Mortem process. We will contact select departments to schedule training and grant access to the functionality.
- Sheets now include a required field, “Approval Status”, that allows OFSP to track new spending requests as well as departments to identify material changes to their budget in the forecast process. The field will require one of the four options below. Currently, each item in your sheets has been defaulted to “Approved (on-going)” since the items were included in the approved FY 2023 budget. However, please review, amend, and add as necessary. It is at the discretion of the department to determine materiality and identify “new” items that should be called out in their respective forecasts.
 - **Approved (on-going):** item was approved in the budget by the Brown Corporation or the Staff Hiring Committee (if a new position). The item will likely be necessary in future years, but subject to zero-basing its budget impact.
 - **Approved (one-year):** item was approved in budget by the Brown Corporation or the Staff Hiring Committee (if a new position). The item will likely only be necessary in the fiscal year identified and is one-time in nature. FY 2023 items will not be pushed forward to seed FY 2024 budget information in Adaptive.
 - **Pending Approval (on-going):** item was not included in the approved budget by the Brown Corporation or the Staff Hiring Committee (if a new position). The item will likely be necessary in future years, but subject to zero-basing its budget impact.
 - **Pending Approval (one-year):** item was not included in the approved budget by the Brown Corporation or the Staff Hiring Committee (if a new position). The item will likely only be necessary in the fiscal year identified and is one-time in nature. FY 2023 items will not be pushed forward to seed FY 2024 budget information in Adaptive.
- Adaptive will be available to financial managers who have completed Adaptive training beginning the week of October 3, 2022. Feel free to request Adaptive training for new employees and those who need access to the system, refresher training for existing users, or system support issues via the Adaptive Training/Support Request [Form](#) .
- Attached to this guidance is the “List of Workday Adaptive Planning Reports” that have been updated to support the FY 2023 forecast process. Please note that FY 2024 budget values will currently show as \$0 on reports as this version of Adaptive is currently not available.

Planning Guidance and Assumptions for FY2023 Plan Updated

- FY 2023 forecasts should be developed by reviewing FY 2023 budgets and year-to-date actuals, adjusting pre-populated amounts as necessary to reflect expected annual revenue and expenses. Materiality should be considered in evaluating and developing your current forecast. Adaptive users should run budget reports from Adaptive using the version “FY 2023 Budget - Approved (May 2022).”
- Revenue and expense projections should assume current University guidance and will remain in place for the entire FY 2023. This includes: continued normal operations, hiring controls (including approval from the Staff Hiring Committee), and planned efficiencies resulting from hybrid operating options, where applicable.
- Forecasts should include all funds and should plan for maximizing the use of restricted funding sources whenever possible. Endowments and spendable gifts should be projected at the account level. The “other revenue” sheet should include restricted revenue forecasts that equal the restricted expense forecasts.
- Compensation forecasts should be completed at the position level and should reflect expected actual spending.

- All positions should be planned using the annual salary on the salary sheet, driving the budget/forecast using the Effective Start and Effective End dates on the salary sheets.
- The salary sheets in Adaptive have been updated to reflect FY 2023 salaries for filled staff and faculty positions as of 9/26/2022. Departments should review and adjust salaries with Effective Start and Effective End dates to reflect the period the position is expected to be filled. You should include any assumptions for position(s) that were/or are expected to be vacant for any period during the fiscal year.
- Positions filled or approved by the Staff Hiring Committee that were not included in the FY 2023 budget submission will need to be added manually by departments. Positions need to be added to the salary sheet (using the full year salary) as well as the allocation sheet; using the Effective Start and Effective End dates to drive the budget calculation.
- FY 2023 merit and equity pools have been removed globally with the assumption that these funds were fully utilized during the annual salary increase process. Departments should zero-base budgets to reflect any unspent amounts from these pooled amounts that they expect to spend in the fiscal year.
- Revenue forecasts should reflect any anticipated changes including those related to updated enrollment projections or program/service changes.

Thank you in advance for your continued support and partnership. The Office of Financial Strategy and Planning (OFSP) is available to work with you and your financial manager(s) to support the development of your forecast(s). Please reach out to your financial analyst or budget liaison if you need additional assistance. For a list of budget contacts, please visit our [website](#).